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Committees
Economic Development, Small
Business and Regulatory Reform VC
Families and Human Services VC
Government Operations
Health Policy

The Jacobs Report

FOR IMMEDIATE RELEASE
Friday, July 16, 2004

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NO ACTION ON BUDGET

The Senate did not hold session this past week as legislative leaders from both chambers continued budget talks with Governor Jennifer Granholm.

Granholm press spokesperson Liz Boyd confirmed that a leadership meeting was held, but was mum on the details. "What was said there will have to stay within the walls of that room," she said.

Progress on this budget has been so slow that many legislators and staff are accepting the possibility that final passage might have to wait until after the August 3 primary.

House Speaker Rick Johnson doesn't want to wait that long.

Johnson said that he wants the budget wrapped up next week, a bold prediction considering that little has been done over the last two weeks and that the racino issue continues to divide both caucuses.

"I'd be willing to stay and work through the night," Johnson said. "The Democrats can't come back the week after that because of their convention in Boston. But if we could get the conference committee reports done ..."

Johnson even suggested holding session through Friday to get the budget finished.

The task of getting more than a dozen budget conference reports drafted, presented and printed for final approval before July 24 presents quite a challenge.

Right now, the budget hole is approximately \$110 million deep. Both the House and Senate will meet next Wednesday, and there is a chance that a conference committee on the Detroit casino tax increase, HB 4612, will be held at that time.

According to sources, reaching a final decision on the casino tax now holds the key to deciding how much remains to be cut to finish the 2004-05 budget. If the casino tax increase is agreed to in conference, then leaders and the administration would need to reach agreement on between \$50 million and \$60 million in cuts.

Right now, the biggest obstacle is a lack of consensus on racinos.

Proponents want the racino conference report voted out before the casino tax increase. Sponsor Larry Julian (R-Lennon) is concerned because the casino tax increase was passed in the Senate under the cloud that racinos wouldn't pass. "If it is taken care of now, it might never pass," said Senator Gilda Z. Jacobs (D-Huntington Woods).

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Rep. Julian and Speaker Johnson have the power to block a vote on the casino tax. Because both the racino bill (HB 4610) and the casino tax bill (HB 4612) originated in the House, the House chair calls the conference committee meetings. Julian is the chair of the conference committee to HB 4610 and Johnson is the chair of the conference committee to HB 4612.

If the casino tax gets tabled, then an attempt might be made to pass an increase in the liquor tax. If that fails, then agreements on cuts totaling more than \$100 million would have to be made.

Stay tuned.

GRANHOLM ORDERS STATE TO STOP BUYING SUPPLIES

As she did last year, Governor Granholm directed state departments to stop buying, or contracting for, supplies and equipment for the remainder of the fiscal year.

"The state budget situation demands that we tighten our belts once again so we can protect the state's revenues to the extent possible," she said in a press release.

The moratorium is effective through September 30, the last day of the 2003-04 fiscal year.

Exceptions for legally required and/or court ordered purchases will be granted, and the state will continue to make purchases needed for the health or safety of state residents or for the basic needs of state institutions. Exceptions will also be allowed if the lack of a product interferes with basic state operations, or if the purchase will actually help the state save money.

OAKLAND COUNTY TO RECEIVE EMERALD ASH BORER FUNDING

Governor Jennifer M. Granholm, U.S. Senators Carl Levin and Debbie Stabenow, the Southeast Michigan Council of Governments (SEMCOG), and members of the state's Emerald Ash Borer Task Force today announced 47 communities in Southeast Michigan will share one-time federal grants totaling \$1.2 million to help them offset ash tree removal costs in 2004 due to the destructive Emerald Ash Borer (EAB).

"The Emerald Ash Borer has had devastating impact in Michigan, especially in the southeast region of our state, since it emerged two short years ago," Granholm said. "We have launched an aggressive cross-agency partnership to contain and control this pest and minimize this impact. Our congressional delegation has been tremendously helpful in marshalling needed federal funds, and Senators Carl Levin and Debbie Stabenow are to be commended for securing these additional dollars for tree removal in our most heavily impacted communities."

The grants, made available by a one-time federal appropriation, will be distributed by the Michigan Department of Agriculture to local units of government based on the number of landscape ash trees 4 inches or larger that have been or will be removed from their individual municipal properties between March 1 and November 30, 2004.

All communities located in the six-county core EAB infested area – Livingston, Macomb, Monroe, Oakland, Washtenaw and Wayne – were eligible for the special funding that required submitting tree inventories and applications in June. This information was used to build a fair and equitable fund allocation formula.

"Because of the devastation caused by the Emerald Ash Borer to ash trees in Southeast Michigan, these trees now pose a public safety threat and need to be removed in a timely manner," said Levin. "These funds, which Senator Stabenow and I worked to include in the federal agriculture spending bill, will assist communities in their efforts to remove the infested trees."

"Today's announcement of funding for removal of trees killed by the Emerald Ash Borer is certainly a step in the right direction, and I'm pleased the U.S. Department of Agriculture has made this money available to Michigan," Stabenow said. She cautioned, however, that additional federal funds are badly needed to fight the pest. "While this begins the task of tree removal, we also need additional funding to prevent the spread of this pest to the rest of Michigan and across the nation."

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"The Emerald Ash Borer has had an awful impact – both aesthetically and financially – on communities in Southeast Michigan. We were pleased to work with the state from the beginning of this challenge to educate our member communities about the infestation and opportunities for funding. We're particularly pleased that so many communities will benefit from the federal grants, the result of hard work by the Governor and our Washington delegation," said SEMCOG Executive Director Paul Tait.

The Governor also noted the continued effort to obtain federal disaster assistance through the U.S. Federal Emergency Management Agency to help fund the removal and disposal of millions of dead and dying ash trees on public property in Southeast Michigan. These dead and dying trees pose a threat to public health and safety because of their dry, brittle and deteriorating condition and their close proximity to homes, businesses, schools, sidewalks, roadways, or utility infrastructure.

Emerald Ash Borer is an exotic insect native to Asia that attacks ash trees and was previously unknown on the North American continent until its discovery in Michigan during the summer of 2002. The borer has already devastated approximately eight million ash trees in the primary impacted six-county core zone in Southeast Michigan. EAB continues to damage or destroy trees in this region as well as infest other areas in various counties and communities due mainly to the pre-quarantine movement of ash materials or firewood. The state has an active, multi-agency Emerald Ash Borer task force working collectively to detect, contain and eradicate EAB and minimize its damage.

For a [list of community grant recipients](#) or more information, visit www.michigan.gov/mda and click on "Emerald Ash Borer" in the Spotlight section. Additional EAB information may be obtained at www.emeraldashborer.info or by contacting regional Michigan Department of Agriculture, Michigan Department of Natural Resources, or local Michigan State University Extension offices.

All Michigan legislation can be tracked at <http://www.legislature.michigan.gov/>.

State Senator Gilda Jacobs represents the 14th Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

Constituents of the 14th District may contact Senator Jacobs at sengjacobs@senate.michigan.gov or toll-free at 1-888-937-4453.

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